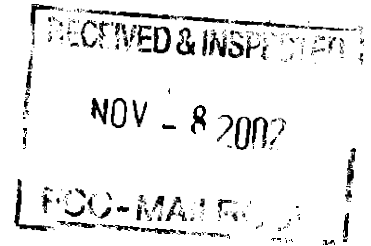


Before the
Federal Communications Commission
Washington, DC 20554



In the Matter of)
)
Request for Review of the)
Decision of the)
Universal Service Administrator by)

Seattle School District 1)
Seattle, Washington)

Federal-State Joint Board on)
Universal Service)
)
Changes to the Board of Directors of the)
National Exchange Carrier Association, Inc.)

File No. SLD-265993

CC Docket No. 96-45

CC Docket No. 97-21 ✓

ORDER

Adopted: **November 6, 2002**

Released: **November 7, 2002**

By the Telecommunications Access Policy Division, Wireline Competition Bureau:

1. Before the Telecommunications Access Policy Division is a Request for Review by Seattle School District 1 (Seattle), Seattle, Washington.¹ Seattle seeks review of the decision of the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (Administrator), rejecting Seattle's application for Funding Year 2001 discounts under the schools **and** libraries universal service mechanism on the grounds that it failed to satisfy minimum processing standards.² For the reasons set forth below, we grant the Request for Review and remand the application to SLD for further review.

2. Under the schools and libraries universal service support mechanism, eligible schools, libraries, and consortia that include eligible schools and libraries, may apply for discounts for eligible telecommunications services, Internet access, and internal connections.³ In order to receive discounts on eligible services, the Commission's rules require that the applicant

¹ Letter from Dugal Easton, Seattle School District 1, to Federal Communications Commission, filed August 24, 2001 (Request for Review).

² *Id.* Previously, Funding Year 2001 was referred to as Funding Year 4. Funding periods are now described by the year in which the funding period starts. Thus the funding period that began on **July 1, 1999** and ended on **June 30, 2000**, previously known as Funding Year 2, is now called Funding Year 1999. The funding period that began on **July 1, 2000** and ended on **June 30, 2001** is now known as Funding Year 2000, and so on.

³ 47 C.F.R. §§ 54.502, 54.503.

submit to the Administrator a completed FCC Form 470, in which the applicant sets forth its technological needs and the services for which it seeks discounts.⁴ Once the applicant has complied with the Commission's competitive bidding requirements and entered into agreements for eligible services, the applicant must submit a completed FCC Form 471 application to the Administrator.'

3. Under the Commission's regulations, SLD is authorized to establish program standards for FCC Form 471 applications by schools and libraries seeking to receive discounts for eligible services.⁶ Pursuant to this authority, every funding year, SLD establishes and notifies applicants of a "minimum processing standard" to facilitate the efficient review of the thousands of applications requesting funding.' In Funding Year 2001, SLD instructions stated that minimum processing standards required applicants to use the "correct, OMB-approved FCC Form 471, with a date of October 2000 in the lower right-hand corner."⁸ When an applicant submits an application that does not comply with an item subject to the minimum processing standard, SLD automatically rejects the application and returns it to the applicant.

4. Seattle filed a FCC Form 471 with SLD for Funding Year 2001 on January 19, 2001.⁹ On July 26, 2001, SLD issued a letter rejecting the application for failure to satisfy minimum processing standards.¹⁰ SLD stated that "[t]he Form 471 submitted is not the correct OMB-approved FCC Form 471 dated October 2000 in the lower right-hand corner of the form."¹¹ Seattle then filed the pending Request for Review.

5. In its Request for Review, Seattle asserts that it did use the Funding Year 2001 form, and that the only error in the form that it has found is that, on most of the pages, including Blocks 4 through 6, the "October 2000" date is missing from the bottom of the page.¹² Seattle asserts that the date was inadvertently removed or missed on certain pages when Seattle scanned

⁴ 47 C.F.R. § 54.504 (b)(1), (b)(3).

⁵ 47 C.F.R. § 54.504(c)

⁶ See 47 C.F.R. § 54.507(c); *Changes to the Board of Directors of the National Exchange Carrier Association, Inc., Federal-State Joint Board on Universal Service*, CC Docket Nos. 97-21 and 96-45, Third Report and Order in CC Docket No. 97-21 and Fourth Order on Reconsideration in CC Docket No. 97-21 and Eighth Order on Reconsideration in CC Docket No. 96-45, 13 FCC Rcd 25058 (1998).

⁷ See, e.g., SLD web site, Form 471 Minimum Processing Standards and Filing Requirements for FY4, <<http://www.sl.universalservice.org/reference/471mps.asp>>.

⁸ *Id.*

⁹ FCC Form 471, Seattle School District 1, filed January 19, 2001 (Seattle Form 471).

¹⁰ Letter from Schools and Libraries Division, Universal Service Administrative Company, to Dugal Easton, Seattle School District 1, dated July 26, 2001 (Rejection Letter).

¹¹ *Id.*

¹² Request for Review at 1; Seattle Form 471

the pages into electronic form so that the application could be filled out electronically.¹³

6. Seattle does not dispute that, although the October 2000 date is present on the pages containing Blocks 1 through 3 and 6, it is not present on the pages for Block 4 or any of the Block 5 funding requests, a total of 43 pages.¹⁴ Seattle argues instead that because the form has all the correct data fields on every page and the October 2000 date is present on some of the pages, SLD should have accepted the application form as the correct OMB-approved form.¹⁵

7. We have reviewed the application. Because the form contains all the correct data fields, is substantively the correct form in every respect, contained the correct identifying date on the pages for Blocks 1-3 and 6, and merely omitted a date on the other pages, we find that the form should not be rejected for failure to satisfy the minimum processing standard requirement of submission on the correct OMB-approved form. We therefore grant the Request for Review and remand the application to SLD for further review consistent with this Order.

8. ACCORDINGLY, IT IS ORDERED, pursuant to authority delegated under sections 0.91, 0.291, and 54.722(a) of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 54.722(a), that the Request for Review filed by Seattle School District 1, Seattle, Washington, on August 24, 2001 IS GRANTED and this application is REMANDED to SLD for further review.

FEDERAL COMMUNICATIONS COMMISSION



Mark G. Seifert
Deputy Chief, Telecommunications Access Policy Division
Wireline Competition Bureau

¹³ Request for Review at 1

¹⁴ Seattle Form 471.

¹⁵ Request for Review at 1